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Page 1 of 29

Case 3:08-cv-00098-PJH

1	TABLE OF CONTENTS	
2	INTRODUCTION	1
3	FACTS	2
4	ARGUMENT	8
5	I. PLAINTIFF WILSON & COUNSINS SATISFIES THE	_
6	REQUIREMENTS FOR A PRELIMINARY INJUNCTION	
7	A. THE PRELIMINARY INJUNCTION STANDARD	8
8	B. Plaintiff Wilson & Cousins is Likely to Succeed on the Merits of its Lanham Act Claims	9
9	Plaintiff Wilson & Cousins Has a Valid, Protectable Trademark, as well as Protectable Trade Dress	
10		10
11	a. Plaintiff's Firefighter Helmet Mark is a Protected Trademark	10
12	i. Plaintiff's Helmet Mark is Inherently Distinctive as a Suggestive Mark	11
13	ii. Plaintiff's Helmet Mark is Non-	
14	Functional	12
15	b. Plaintiff's Trade Dress is Protected	12
16	i. Plaintiff's Trade Dress is Inherently Distinctive	13
17	ii. Plaintiff's Trade Dress is Non-	10
18	Functional	14
19	2. A Likelihood of Confusion Exists as a Result of	
20	Defendant's Sale of Knock-Off Products and Use of Plaintiff Wilson & Cousins' Marks	15
21	a. Defendant Christy's Sale of Infringing Knock-Off	
22	Valves Causes Consumer Confusion	16
23	b. Defendant Christy's Use of Plaintiff's Marks to "Pass Off' Counterfeit Valves Causes a Likelihood	
24	of Confusion	22
25	C. In the Alternative, Plaintiff Wilson & Cousins Has Raised Serious Questions On the Merits and the Balance of	
26	HARDSHIPS TIPS SHARPLY IN ITS FAVOR	23
27	II. SCOPE OF THE INJUNCTION	24
}	CONCLUSION	25
28	-i- MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF PLAINTIFF'S APPLICATION FOR	
	MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF PLAINTIFF'S APPLICATION FOR TEMPORARY RESTRAINING ORDER AND ORDER TO SHOW CAUSE RE PRELIMINARY INJUNCTION	

TABLE OF AUTHORITIES

2	Federal Cases
3	American Int.'l Group, Inc. v. American Int.'l Bank, 926 F.2d 829 (9th Cir. 1991)
$4 \mid$	AMF Inc. v. Sleekcraft Boats,
5	
6	Apple Computer, Inc. v. Formula Int.'l, Inc., 725 F.2d 521 (9th Cir. 1984)
7	
8	Au-tomotive Gold, Inc. v. Volkswagen of Am., Inc., 457 F.3d 1062 (9th Cir. 2006)
9	Brookfield Commc'ns, Inc. v. West Coast Entm't Corp., 174 F.3d 1036 (9th Cir. 1999)passim
10	
11	Clicks Billiards, Inc. v. Sixshooters, Inc., 251 F.3d 1252 (9th Cir. 2001)
12	Duncan McIntosh Co. Inc. v. Newport Dunes Marina LLC, 324 F. Supp. 2d 1078 (C.D. Cal. 2004)15
13	Earth Island Inst. v. Unites States Forest Serv.,
14	
15	GoTo.com, Inc. v. Walt Disney Co., 202 F.3d 1199 (9th Cir. 2000)passim
16	H.O. Snowto Inc. v. Fauth & Ocean Snowto Inc.
17	H.O. Sports, Inc. v. Earth & Ocean Sports, Inc., No. C00-1846P, 2001 WL 514314 at *1 (W.D. Wash. Jan. 12, 2001)
18	Honor Plastic Indus. Co. Ltd. v. Lollicup USA, Inc., 462 F. Supp. 2d 1122 (E.D. Cal. 2006)9
19	Lamothe v. Atlantic Recording Corp.,
20	Lamothe v. Atlantic Recording Corp., 847 F.2d 1403 (9th Cir. 1988)
21	LeSportsac, Inc. v. K Mart Corp.,
22	754 F.2d 71 (2d Cir. 1985)
23	Levi Strauss & Co. v. Shilon, 121 F.3d 1309 (9th Cir. 1997)9
24	Lisa Frank, Inc. v. Impact Intern., Inc.,
25	799 F.Supp. 980 (Ď. Ariz. 1992)
26	Mattel, Inc. v Walking Mountain Prods., 353 F.3d 792 (9th. Cir. 2003)
27	Newsguy, Inc. v. Yomtobian,
28	No. C 04-0811 CRB, 2004 WL 2944051, at *1 (N.D. Cal. Dec. 20, 2004)

1	Nova Wines, Inc. v. Alder Fels Winery LLC, 467 F. Supp. 2d 965 (N.D. Cal. 2006) passim
3	Nutri/System, Inc.v. Con-Stan Indus., Inc., 809 F.2d 601 (9th Cir. 1987)15
4	Official Airline Guides, Inc. v. Goss, 6 F.3d 1385 (9th. Cir. 1993)20
5	Qualitex Co. v. Jacobson Prods. Co., Inc, 514 U.S. 159 (1995)
7	SMC Promotions, Inc. v. SMC Promotions, 355 F. Supp. 2d 1127 (C.D. Cal. 2005)
8 9	Sonista, Inc. v. Hsieh, 348 F. Supp. 2d 1089 (N.D. Cal. 2004)9
10	Sony Computer Entertainment America Inc. v. Gamemasters, 87 F. Supp. 2d 976 (N.D. Cal. 1999)
11 12	Taco Cabana Int'l, Inc. v. Two Pesos, Inc., 932 F.2d 1113 (5th Cir. 1991)14
13	Two Pesos, Inc. v. Taco Cabana, Inc., 505 U.S. 763 (1992)
1415	Vision Sports, Inc. v. Melville Corp., 888 F.2d 609 (9th Cir. 1989)
16	Federal Statutes
17	15 U.S.C. § 1116(a)
18	15 U.S.C. § 1125
19	15 U.S.C. § 1125(a)(1) (2006)9
20	
21	State Rules
22	Federal Rule of Civil Procedure 65
23	Treatises
24	Thomas J. McCarthy, McCarthy on Trademarks and Unfair Competition (2007) passim
25	
26	
27	
28	-iii-

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INTRODUCTION

This Memorandum of Points and Authorities is submitted in support of Plaintiff
Wilson & Cousins Division of Palamar Industries, Inc.'s ("Wilson & Cousins") application
for a temporary restraining order and preliminary injunction pursuant to Federal Rule of Civil
Procedure 65. It is supported by the Complaint filed in this action and the Declaration of
Jeffrey Saunders filed in support of this application. Wilson & Cousins seeks a temporary
restraining order and preliminary injunction prohibiting Defendant T. Christy Enterprises, Inc.
("Christy") from (1) selling or distributing "knock-off" Wilson & Cousins valves and nozzles,
and (2) displaying or depicting Wilson & Cousins' trademarks or trade dress in its catalogs,
on its website, or in any advertising or promotional materials.

Wilson & Cousins is a fire protection equipment manufacturer. Christy is a distributor of waterworks equipment, including fire protection equipment. Christy currently depicts Wilson & Cousins' products and trademarks in its on-line catalogs, and does so without Wilson and Cousins' authorization. Moreover, when that product is ordered, Christy does not ship Wilson & Cousins product; rather, it ships a "knock-off" product which closely mimics the design of Wilson & Cousins' product, and does so in an effort to pass them off as such. This conduct must be stopped. Wilson & Cousins' valves and nozzles are used in fire protection equipment installed in commercial and other buildings; they are therefore critically important to the protection of life and property. Contractors or others who purchase or install the Christy "knock-off" product are not receiving genuine Wilson & Cousins' products, and may well be purchasing and installing substandard fire protection equipment. The irreparable to harm to Wilson & Cousins' longstanding reputation in this industry that will result from this conduct, as well as the related potential danger to life and property, fully justify the injunctive relief requested herein. A proposed order is submitted with this application, and Plaintiff is prepared and willing to post a surety bond in the amount required by the Court.

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FACTS

Wilson & Cousins' Is A Longstanding Manufacturer of Fire Protection Equipment

Plaintiff Wilson & Cousins is a manufacturer of interior fire protection equipment. (Declaration of Jeffrey Saunders in Support of Application for Temporary Restraining Order and Order to Show Cause Re: Preliminary Injunction (hereinafter "Saunders Decl."), ¶ 3.) Wilson & Cousins manufactures a full range of standpipe valves, cabinets and accessories, including fire department connections, adapters, hose racks, hose reels, pressure reducing valves, brass and polycarbonate nozzles, hydrant gate valves and check valves. It sells fire protection equipment products throughout North America, including the U.S. and Canada. (Saunders Decl., ¶ 3.)

Wilson & Cousins first started manufacturing and selling fire protection products in 1881, has done so continuously since then, and now has 126 years of manufacturing experience in the fire protection equipment industry. (Saunders Decl., ¶ 4.) As such, it has built and maintained a reputation in the U.S. and Canada as a provider of high quality fire protection equipment products. Wilson & Cousins sells its fire protection equipment products to distributors, who in turn sell the products to builders, contractors, plumbing specialists and others that specify, purchase and/or install fire protection equipment in all types of buildings and structures. (Saunders Decl., ¶ 4.) Distributors, builders and contractors have come to rely upon Wilson & Cousins' reputation for the design and manufacture of high quality, safe and dependable fire protection equipment. (Saunders Decl., ¶ 5.)

Wilson & Cousins' Trademarks and Trade Dress

Wilson & Cousins uses a number of marks and logos in connection with the advertising, promotion and sale of its fire protection equipment. (Saunders Decl., ¶ 6.) It is the owner of marks registered with the Canadian Intellectual Property Office ("CIPO") and additional marks for which trademark applications have been filed in the U.S. and Canada with the U.S. Patent & Trademark Office ("USPTO") and CIPO, respectively. The marks applied-for include the WILSON & COUSINS mark, the WC & Design Mark (also referred

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to below as the W&C Helmet Mark), and the WILSON & COUSINS & Design Mark (See Saunders Decl., ¶ 6, Ex. 1.)

Wilson & Cousins advertises and promotes its products with these marks on the internet in its web site, www.wilsonandcousins.com, and also in fire protection trade magazines such as Sprinkler Quarterly, Sprinkler Age, CASA (Canadian Automatic Sprinkler Association) and FPC (Fire Protection Contractor). (Saunders Decl., ¶ 7.)

One of Wilson & Cousins's marks is a firefighter helmet with stylized letters W and C (hereinafter the "W&C Helmet Mark"). (Saunders Decl., ¶ 8, Ex. 2). Wilson & Cousins first used this mark in the 1980s, and first used it on fire equipment products sold in the U.S. by no later than 1998. (Saunders Decl., ¶ 8.) Many of Wilson & Cousins' fire protection products prominently feature the W&C Helmet Mark. Since 1998, that mark has been placed on fire hose nozzles, fire safety valves, fire hose racks and reels, fire department connections, fire hose and extinguisher cabinets, fire-equipment related wrenches, adapters, plugs, caps and valves. (Saunders Decl., ¶ 8.) Since 1998, Wilson & Cousins has manufactured and sold in the U.S. over 1,000,000 items featuring the W&C Helmet Mark. Wilson & Cousins has had exclusive use the W&C Helmet Mark on fire protection equipment in the U.S. since 1998; and, it is a unique mark in the fire protection equipment industry. (Saunders Decl., ¶ 9.) Both distributors and those directly involved in the installation of fire protection equipment have come to rely upon and recognize the W&C Helmet Mark as symbolizing Wilson & Cousins and its reputation for the design and manufacture of high quality, safe and dependable fire protection equipment. (Saunders Decl., ¶ 9.)

Wilson & Cousins Products Feature Numerous Industry Certifications

Wilson & Cousins also devotes significant efforts to obtaining industry certifications from product safety testing and certification organizations. (Saunders Decl., ¶ 11.) One such organization is Underwriters' Laboratories Inc. ("UL") and Underwriters' Laboratories of Canada ("ULC"), which develops standards and test procedures for products, materials, components, assemblies, tools and equipment, chiefly dealing with product safety. (Saunders Decl., ¶¶ 11-12.) ULC is the Canadian counterpart to UL. (Saunders Decl., ¶ 12.) UL

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evaluates products, components, materials and systems for compliance with specific requirements, and permits acceptable products to carry a UL certification mark, as long as they remain compliant with the standards. (Saunders Decl., ¶ 12.)

UL certifications are of critical importance and are necessary to compete and succeed in the fire protection equipment industry. UL product certifications are frequently required for fire protection equipment in contract specifications, for safety reasons, and for insurance requirements. (Saunders Decl., ¶ 13.) All Wilson & Cousins products, where required, are listed and approved by UL and FM. Large distributors are generally unwilling to carry a product without UL certification, and the sale or use of non-certified fire protection equipment may invalidate insurance coverage and expose one to liabilities. Local jurisdictional authorities, such as building, electrical and fire inspectors, often require or are reluctant to accept fire protection products for installation in a building unless it carries a recognized third-party compliance mark such as the UL Mark. (Saunders Decl., ¶ 13.)

Wilson & Cousins goes to great efforts and considerable expenditures to ensure that its products remain UL compliant and meet certain safety standards. (Saunders Decl., ¶ 15.) Each individual UL Listed product unit manufactured by Wilson & Cousins is individually tested at its facilities in Ontario, Canada in order to ensure that it meets the UL and other appropriate safety and quality standards. (Saunders Decl., ¶ 15.)

Wilson & Cousins Check Valve and Other Products At Issue Herein

One product of Wilson & Cousins that is "UL Listed" is the Wilson and Cousins IE144 series check valve product. (Saunders Decl., ¶ 16.) A check valve is a valve that normally allows fluid to flow through it in only one direction. (Saunders Decl., ¶ 16.) Check valves are two-port valves, meaning they have two openings in the body, one for fluid to enter and the other for fluid to leave. (Saunders Decl., ¶ 16.) This product series first obtained UL Listing in July of 2003. (Saunders Decl., ¶ 16, Ex. 5). By obtaining this certification, Wilson & Cousins is authorized to display a UL and ULC "Listing Mark," which is comprised of the following four elements: The "UL" and/or "ULC" mark, the term "LISTED", the product identity (i.e., "Check Valve"), and the unique product control number assigned by UL (i.e.,

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"27GH"). (Saunders Decl., ¶ 16.) The UL control number for the Wilson and Cousins check valve is unique to Wilson & Cousins' check valve product, and cannot be used with other manufacturers' product. (Saunders Decl., ¶ 16.)

UL also requires that any manufacturer using a UL Listing Mark also indicate the country where the product was manufactured. (Saunders Decl., ¶ 17.) In conformance with that requirement, the Wilson & Cousins check valve lists the term "CHINA" on the product, which is where the product is manufactured, before being shipped to Wilson & Cousins facilities for final testing, approval, sale and shipping. (Saunders Decl., ¶ 17.) Every Wilson & Cousins check valve and other fire protection equipment product passes through its Ontario, Canada testing facility prior to sale and shipment to a distributor. (Saunders Decl., ¶ 17.) Other elements of the Wilson & Cousins check valve design include, towards the bottom of the check valve, a Factory Mutual approval mark, namely, a diamond symbol encasing the letters "FM", with an uppercase letter "S" placed directly to its right. (Saunders Decl., ¶ 17.) The "S" denotes the foundry at which the Wilson & Cousins product is manufactured, and is unique to Wilson & Counsins' check valve. (Saunders Decl., ¶ 17.) In addition, rotating the valve 180 degrees, the product displays an directional water flow arrow, with the number "4" placed immediately to the right, denoting the 4-inch size of the valve. (Saunders Decl., ¶ 17.) Directly underneath those symbols are the characters "300 LB"—a PSI designation for the product — as well as the product model number (i.e., IE144T), and the year of manufacture (e.g., "06"). (Saunders Decl., ¶ 17.)

The placement and location of the UL Listing Mark, FM approval mark, CHINA designation, "S" foundry designation, directional arrow, valve size indicator, PSI designation, product model number and year of manufacture are unique to Wilson & Cousins check valve products. (Saunders Decl., ¶ 18.) While other check valve manufacturers may use some of these approval marks, designations and the like, no others feature all of them in this combination, or place them in the layout and formation Wilson & Cousins uses. (Saunders Decl., ¶ 18.) Distributors and those indirectly purchasing but directly involved in the installation of fire protection equipment have come to rely upon Wilson & Cousins UL

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Listing Mark, including the unique product control number, "27GH", as an indicator of source and for confirmation that they are in fact receiving and installing high quality Wilson & Cousins check valve product. (Saunders Decl., ¶ 19.)

Christy's Infringing Activities

Defendant T. Christy Enterprises, Inc. ("Christy") is a California corporation doing business in California. According to its website, Christy represents that it is "a leading provider of products to the irrigation, waterworks, light industrial, plumbing and retail markets." (Saunders Decl., ¶ 20.) Christy claims to "operate as independent sales representatives, manufacturers and master distributors of a variety of products and product lines." (Saunders Decl., ¶ 20.) Its stated "goal continues to be a "One-Stop Shop" for the wholesaler/distributor." (Saunders Decl., ¶ 20.)

Defendant Christy is selling check valve products which it is holding out to the consuming public as a Wilson & Cousins check valve product when in fact they are not Wilson & Cousins check valves. (Saunders Decl., ¶21, Ex. 8.) Defendant Christy is selling knock-offs of the Wilson & Cousins check valve product that mimic the appearance of Wilson & Cousins UL Listed check valve product. (Saunders Decl., ¶21.) The knock off contains the identical UL Listing Mark—including the unique Wilson & Cousins product control number—as well as numerous other identical markings placed in an identical or virtually identical layout on the product. (Saunders Decl., ¶21.) The impression conveyed by knock-off product sold by Defendant Christy is that it is a Wilson & Cousins check valve product. (Saunders Decl., ¶ 21.)

Defendant Christy also posts a catalog on its webpage entitled "Christy Waterworks." (Saunders Decl., ¶ 22, Ex. 9.) The catalog is located at http://www.tchristy.com/catalog/200703WaterworksCatalog.pdf. (Saunders Decl., ¶ 22.) At page 16 of the catalog, Christy's depicts a Wilson & Cousins check valve. (Saunders Decl., ¶ 22.) The W&C Helmet Mark is discernable on the product shown when the depiction is enlarged. (Saunders Decl., ¶ 22.) Additionally, on page 17 of the catalog, a Wilson & Cousins' brass fire hose nozzle is depicted. The product is recognizable as a Wilson &

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Cousins product from the Wilson & Cousins' model number, i.e., HNL-206T, which is discernable on the product when the depiction is enlarged. (Saunders Decl., ¶ 22; Ex. 10)

Defendant Christy is not a distributor of Wilson & Cousins products, and has not purchased products from Wilson & Cousins. Christy shows Wilson & Cousins products in its catalog but actually ships "knock-off" Wilson & Cousins' products that copy Wilson & Cousins unique UL Listing Mark and otherwise mimic the commercial impression conveyed by Wilson & Cousins' check valve and fire hose nozzle designs. (Saunders Decl., ¶ 22.)

Irreparable Harm to Wilson & Cousins Resulting from Christy's Conduct

Defendant Christy's continued use of Wilson & Cousins' trademark, trade dress and/or products in its advertising and promotion, and its distribution of "knock-off" products will cause irreparable harm to Wilson & Cousins unless it is stopped. (Saunders Decl., ¶ 23.) Use of Wilson & Cousins' trademark and trade dress to sell knock-off products will cause immediate, irreparable harm in multiple ways. First, Wilson & Cousins' products are utilized in fire protection systems and equipment and function to protect buildings and persons from damage and harm in the event of a fire. (Saunders Decl., ¶ 23.) If the "knock-off" products are of inferior quality, or should they fail to meet certain specifications, they may fail to function properly to prevent or mitigate fire damage and the harm to persons or loss of life. (Saunders Decl., ¶ 23.) In addition to the obvious irreparable harm caused by the foregoing, Wilson & Cousins may face claims of liability as those who purchased such products under the belief that they were purchasing a Wilson & Cousins product may bring suit or otherwise seek to impose liability upon Wilson & Cousins for the perceived product failure. (Saunders Decl., ¶ 23.) Such occurrences and claims will undoubtedly irreparably harm Wilson & Cousins reputation in the industry, earned and developed after over 125 years of experience, even assuming it able to thereafter establish that its product was not used, and that a "knockoff" or counterfeit product failed. (Saunders Decl., ¶ 23.)

ARGUMENT

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PLAINTIFF WILSON & COUSINS SATISFIES THE REQUIREMENTS FOR A PRELIMINARY INJUNCTION

The Lanham Act, 15 U.S.C. § 1116(a), grants federal courts the power to issue injunctions to prevent activities that violate the rights of a trademark owner. 15 U.S.C. § 1116(a) (2002). Federal courts have consistently recognized the importance of issuing preliminary injunctions in Lanham Act trademark infringement and unfair competition cases. See, e.g., GoTo.com, Inc. v. Walt Disney Co., 202 F.3d 1199 (9th Cir. 2000) (affirming grant of preliminary injunction); Brookfield Commc'ns, Inc. v. West Coast Entm't Corp., 174 F.3d 1036 (9th Cir. 1999) (reversing district court and remanding with instructions to enter a preliminary injunction in favor of plaintiff); Nova Wines, Inc. v. Alder Fels Winery LLC, 467 F. Supp. 2d 965 (N.D. Cal. 2006) (granting preliminary injunction) (Patel, J.); 5 Thomas J. McCarthy, McCarthy on Trademarks and Unfair Competition § 30:1 (2007) (receiving injunctive relief is the "common historical practice" for trademark infringement or false advertising).

A. THE PRELIMINARY INJUNCTION STANDARD

Generally, a party seeking a preliminary injunction must demonstrate: (1) a strong likelihood of success on the merits; (2) the possibility of irreparable injury if preliminary relief is denied; (3) the balance of hardship favoring the moving party; and (4) advancement of the public interest. See Earth Island Inst. v. Unites States Forest Serv., 351 F.3d 1291, 1297-98 (9th Cir. 2003) (reversing district court's denial of motion for preliminary injunction).

The Ninth Circuit has adopted an alternate standard that it applies in trademark infringement cases. Under this standard, the plaintiff is entitled to a preliminary injunction when it demonstrates either (1) "probable success on the merits and the possibility of irreparable injury"; or (2) "the existence of serious questions going to the merits and that the balance of hardships tips sharply in its favor." GoTo.com, 202 F.3d at 1204-05 (quoting Sardi's Restaurant Corp. v. Sardie, 755 F.2d 719, 723 (9th Cir. 1985)); Honor Plastic Indus. 3 prelin

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Co. Ltd. v. Lollicup USA, Inc., 462 F. Supp. 2d 1122, 1127 (E.D. Cal. 2006) (quoting Goto.com, granting preliminary injunction); Nova Wines, 467 F. Supp. 2d at 972 (granting preliminary injunction).

Importantly, irreparable injury is presumed in a trademark infringement case upon a showing of probable success on the merits. *Goto.com*, 202 F.3d at 1209; *Brookfield*, 174 F.3d at 1066; *Sonista*, *Inc.* v. *Hsieh*, 348 F. Supp. 2d 1089, 1094 (N.D. Cal. 2004) (quoting *GoTo.com*, granting preliminary injunction) (Whyte, J.). As a result, the first formulation above of establishing "probable success on the merits" and "irreparable injury," is "conflated into a single question of whether the plaintiff has shown a likelihood of success on the merits." *Goto.com*, 202 F.3d at 1205 n.4. This standard applies regardless of whether the trademarks at issue are registered or unregistered. *See Brookfield*, 174 F.3d at 1046 n.6; *Honor Plastic*, 462 F. Supp. 2d at 1128.

Plaintiff Wilson & Cousins is entitled to preliminary injunctive relief under either of the Ninth Circuit's formulations.

B. Plaintiff Wilson & Cousins is Likely to Succeed on the Merits of its Lanham Act Claims

Plaintiff Wilson & Cousins has asserted claims against Defendant under Lanham Act section 43(a) for trademark infringement, trade dress infringement, and unfair competition for false designation of origin or "passing off."

Section 43(a) of the Lanham Act protects against infringement of common-law trademarks and trade dress. *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 768 (1992) (noting it is "common ground" that § 43(a) protects qualifying unregistered trademarks and trade dress from infringement); *Brookfield*, 174 F.3d at 1047 n.8 ("section 43(a) protects against infringement of unregistered marks and trade dress as well as registered marks"); 15 U.S.C. § 1125(a)(1) (2006). It is well-settled law that dealers or retailers who merely sell goods bearing infringing marks are liable as infringers. *See, e.g., Levi Strauss & Co. v. Shilon*, 121 F.3d 1309, 1312 (9th Cir. 1997) (Lanham Act applies to mere offer of sale of infringing goods); 4 McCarthy, *supra* § 25:27 ("It is no defense that a distributor did not

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actually affix the infringing mark to the goods, since actual sale of the goods with an infringing mark is itself infringement.").

Moreover, Section 43(a) also prohibits distributors from making "false representations about the origin of source or manufacture of goods through the use of another's trade name or trademark, either registered or unregistered." SMC Promotions, Inc. v. SMC Promotions, 355 F. Supp. 2d 1127, 1133 (C.D. Cal. 2005) (citing Accuride Int'l, Inc. v. Accuride Corp., 871 F.2d 1531, 1534 (9th Cir. 1989), granting preliminary injunction). The Ninth Circuit has specifically held that selling of a good or service of one person's creation under the name or mark of another, or "passing off," constitutes a violation of section 43(a). See Lamothe v. Atlantic Recording Corp., 847 F.2d 1403, 1406 (9th Cir. 1988) (reversing summary judgment for defendants).

To prove either trademark infringement or unfair competition under Lanham Act section 43, the analysis is generally the same. See Brookfield, 174 F.3d at 1047 n.8 (explaining same analysis for infringement and unfair competition claims); SMC Promotions, 355 F. Supp. 2d at 1133 ("A section 43(a) false designation of origin claim is recognized with regard to unregistered marks, as the equivalent as of a claim for trademark infringement" (internal quotation marks omitted)). For section 43(a) claims, plaintiff must demonstrate (1) a valid and protectable mark or dress; and (2) the likelihood of consumer confusion. Brookfield, 174 F.3d at 1046, 1053 n.15; SMC Promotions, 355 F. Supp. 2d at 1133; General Motors, 223 F. Supp. 2d at 1193.

1. Plaintiff Wilson & Cousins Has a Valid, Protectable Trademark, as well as Protectable Trade Dress

a. Plaintiff's Firefighter Helmet Mark is a Protected Trademark

Since the mid 1980's, Wilson & Cousins has used the mark of a firefighter helmet with stylized letters W and C as a trademark (the "W&C Helmet Mark"). (Saunders Decl., ¶ 8.) A depiction of this mark is provided below in Figure 1, and is also attached as Exhibit 2 to the Declaration of Jeffrey Saunders. Wilson & Cousins first used the mark on fire equipment products sold in the U.S. by no later than 1998. (Saunders Decl., ¶ 8.) Many of Wilson &

Cousins' fire protection products prominently feature the W&C Helmet Mark. (Saunders Decl., ¶ 8.) Since 1998, that mark has been placed on fire hose nozzles, fire safety valves, fire hose racks and reels, fire department connections, fire hose and extinguisher cabinets, fire-equipment related wrenches, adapters, plugs, caps and valves. (Saunders Decl., ¶ 8.) Since 1998, Wilson & Cousins has manufactured and sold in the U.S. over 1,000,000 items featuring the W&C Helmet Mark. (Saunders Decl., ¶ 8.)

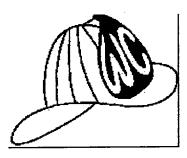


Figure 1. Plaintiff Wilson & Cousins W&C Helmet Mark

As a trademark that is not registered on the federal register, the W&C Helmet Mark is still protected under section 43(a) if it is (1) inherently distinctive or has acquired secondary meaning; and (2) non-functional. *Two Pesos*, 505 U.S. at 768; 15 U.S.C. § 1125.

i. Plaintiff's Helmet Mark is Inherently Distinctive as a Suggestive Mark

In assessing distinctiveness of marks, courts classify the mark or dress along a spectrum of increasingly distinctive categories. *Two Pesos*, 505 U.S. at 768; *Nova Wines*, 467 F. Supp. 2d at 980. From weakest to strongest, it is categorized as either (1) generic, (2) descriptive, (3) suggestive; and (4) arbitrary or fanciful. *Nova Wines*, 467 F. Supp. 2d at 980; 2 McCarthy, *supra* § 11:2. Marks that fall into the suggestive and arbitrary or fanciful categories are considered inherently distinctive and are entitled to protection without a showing of secondary meaning. *Two Pesos*, 505 U.S. at 768; 2 McCarthy, *supra* § 11:2.

Here, the W&C Helmet Mark is a suggestive mark. A suggestive mark "conveys an impression of a good but requires the exercise of some imagination and perception to reach a conclusion as to the product's nature." *Brookfield*, 174 F. 3d at 1058 n.19. The W&C Helmet Mark depicts a firefighter's helmet with stylized letters W and C on the front. The fire helmet suggests that the product that the mark is affixed to might be used for fire protection purposes,

yet the mark does not describe any features or qualities of the product. The "exercise of imagination and perception" is required to reach the conclusion that the product it is affixed to is, for example, a water valve. Thus, since W&C Helmet Mark suggests a general impression of the product's purpose but does not describe or convey the nature of the product, the mark is classified as suggestive. As such, the mark is inherently distinctive and entitled to protection without a showing of secondary meaning.

ii. Plaintiff's Helmet Mark is Non-Functional

A mark is only unprotectable for being functional if the mark "is essential to the use or purpose of the article or if it affects the cost or quality of the article, that is, if exclusive use would put competitors at a significant, non-reputation related advantage." *Qualitex Co. v. Jacobson Prods. Co., Inc,* 514 U.S. 159, 165 (1995); *Clicks Billiards, Inc. v. Sixshooters, Inc.,* 251 F.3d 1252, 1258 (9th Cir. 2001) (quoting *Qualitex*, reversing grant of summary judgment for defendant).

Plaintiff's W&C Helmet Mark is in no way essential to the use or purpose of its fire protection products. It does not reduce the cost of producing the product, nor does it affect the integrity or quality of the fire protection product it is affixed to. Plaintiff's exclusive use of the mark does not put competitors at any sort of non-reputation related advantage. Thus the mark is non-functional.

Therefore, because Plaintiff's W&C Helmet Mark is both inherently distinctive and non-functional, it is a valid and protected trademark under Lanham Act section 43(a).

b. Plaintiff's Trade Dress is Protected

"A seller's adoption of a trade dress confusingly similar to a competitor's constitutes unfair competition that is actionable under section 43(a) of the Lanham Act." Vision Sports, Inc. v. Melville Corp., 888 F.2d 609, 613 (9th Cir. 1989) (affirming grant of preliminary injunction); see also Two Pesos, 505 U.S. at 763 (1992) (affirming trade dress infringement judgment for plaintiff). Trade dress encompasses "the total image of a product and may include features such as size, shape, color or color combination, texture, graphics or even particular sales techniques." Mattel, Inc. v Walking Mountain Prods. 353 F.3d 792, 808 n.13

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(9th. Cir. 2003) (quoting Two Pesos, 505 U.S. at 765 n.1); Nova Wines, 467 F. Supp. 2d at 975 (same). Plaintiff Wilson & Cousins' check valve is dressed by the unique combination and arrangement of the following elements: The "UL" and "ULC" marks, placed side by side toward the top of the valve; followed underneath by the upper-case characters "LISTED"; the unique product

and the year of manufacture (e.g., "06").

control number "27GH;" and the term "CHECK VALVE". Towards the bottom of the valve, a Factory Mutual approval mark, namely, a diamond symbol encasing the letters "FM"; and an uppercase letter "S" placed directly to its right, denoting the foundry at which the product is manufactured. Rotating the valve 180 degrees, the valve displays a directional water flow arrow; and the number "4" placed immediately to the right of the arrow, denoting the 4-inch size of the valve. Directly underneath those symbols are the characters "300 LB," a PSI designation for the product; the characters "IE144T," the product model number;

The arrangement and combination of these markings is depicted in the photographs attached as Exhibit 6 to the Declaration of Jeffrey Saunders.

Just as with unregistered common law trademarks, Plaintiff Wilson & Cousin's trade dress is protected under Lanham Act section 43(a) if it is (1) inherently distinctive or has acquired secondary meaning; and (2) non-functional. Two Pesos, 505 U.S. at 768; Nova Wines, 467 F. Supp. 2d at 975.

i. Plaintiff's Trade Dress is Inherently Distinctive

Like with trademarks, courts assess the distinctiveness of trade dress by classifying the dress as either (1) generic, (2) descriptive, (3) suggestive; and (4) arbitrary or fanciful. Two Pesos, 505 U.S. at 768; Nova Wines, 467 F. Supp. 2d at 980; McCarthy, supra § 11:2. Dress that falls into the suggestive and arbitrary or fanciful categories is considered inherently

As stated in these authorities, the test for infringement of trade dress includes a third element of likelihood of confusion. Likelihood of confusion is addressed in section I.B.2. of this memorandum, infra.

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distinctive and is entitled to protection without a showing of secondary meaning. Two Pesos, 505 U.S. at 768; Nova Wines, 467 F. Supp. 2d at 975; 2 McCarthy, supra § 11:2. In addition, when assessing trade dress, the existence of descriptive or non-arbitrary elements does not eliminate the possibility of inherent distinctiveness in the trade dress as a whole. Lisa Frank, Inc. v. Impact Intern., Inc., 799 F.Supp. 980, at 988 (D. Ariz. 1992) (citing Taco Cabana Int'l, Inc. v. Two Pesos, Inc., 932 F.2d 1113, 1120 (5th Cir. 1991), aff'd, 505 U.S. 763 (1992)).

The trade dress of Plaintff's check valve here is arbitrary and is thus entitled to protection. Arbitrary marks or dress "have no intrinsic connection to the product with which [it] is used." Brookfield, 174 F. 3d at 1058 n.19. Given that trade dress assesses "the total image of a product," Mattel, 353 F.3d at 808 n.13, the trade dress here includes the overall the combination of (1) the numerous symbols and characters listed above that are found on the valve, (2) the font used to display those characters, and (3) the precise placement of the characters and symbols on the valve. Considering all of the elements as a combined whole, Plaintiff Wilson & Cousin' selection and arrangement of the elements is not naturally connected with the valve itself. Furthermore, even if some of the individual elements that comprise Plaintiff's dress might be descriptive or non-arbitrary, this would not eliminate the inherent distinctiveness of the trade dress as a whole.

Therefore, because the dress of Plaintiff's valve is arbitrary and thus inherently distinctive, Plaintiff's trade dress is entitled to protection.

Plaintiff's Trade Dress is Non-Functional ii.

Trade dress is functional if it "is essential to the use or purpose of the article or if it affects the cost or quality of the article, that is, if exclusive use would put competitors at a significant, non-reputation related advantage." Qualitex Co. v. Jacobson Prods. Co., Inc, 514 U.S. 159, 165 (1995); Clicks Billiards, 251 F.3d at 1258. Importantly, "[t]he fact that individual elements of the trade dress may be functional does not mean that the trade dress as a whole is functional; rather, 'functional elements that are separately unprotectable can be protected together as trade dress." Clicks Billiards, 251 F.3d at 1259 (quoting LeSportsac, Inc. v. K Mart Corp., 754 F.2d 71, 76 (2d Cir. 1985). The Ninth Circuit has emphasized that,

"in evaluating functionality as well as other elements of a trade dress claim, it is crucial that we focus not on the individual elements, but rather on the overall visual impression that the combination and arrangement of those elements create." *Id*.

Here, analyzing the overall impression of Plaintiff's trade dress, the dress asserted is not essential to the purpose of the valve. The total combination and arrangement of the symbols and characters placed on Plaintiff's valve does not make the valve cheaper to manufacture, nor does it affect the quality or integrity of the valve itself. Additionally, the exclusive use of the precise combination and arrangement of these various elements does not disadvantage competitors, aside from not being able to free-ride off of the business reputation and goodwill Plaintiff has developed. Lastly, even assuming *arguendo* that some of the individual elements of the valve's dress might be functional, this does not render the trade dress as a whole functional. *Id*.

2. A Likelihood of Confusion Exists as a Result of Defendant's Sale of Knock-Off Products and Use of Plaintiff Wilson & Cousins' Marks

A likelihood of confusion exists "when consumers are likely to assume that a product or service is associated with a source other than its actual source because of similarities between the two sources' marks or marketing techniques." Nova Wines, 467 F. Supp. 2d at 972 (quoting Nutri/System, Inc.v. Con-Stan Indus., Inc., 809 F.2d 601, 604 (9th Cir. 1987). Actual confusion is not necessary to a finding of likelihood of confusion. American Int. 'I Group, Inc. v. American Int. 'I Bank, 926 F.2d 829, 832 (9th Cir. 1991) (reversing summary judgment for defendant and vacating order denying injunctive relief); Duncan McIntosh Co. Inc. v. Newport Dunes Marina LLC, 324 F. Supp. 2d 1078, 1085 (C.D. Cal. 2004) (granting preliminary injunction).

Defendant Christy's sale of knock-off valves, as well as its use of the Wilson & Cousins trademark on products pictured in its catalog to "pass off" the imitation valves, presents an easy case of likely confusion.

a. Defendant Christy's Sale of Infringing Knock-Off Valves Causes Consumer Confusion

In the Ninth Circuit, likelihood of confusion for trademark and trade dress infringement is generally analyzed under the so-called *Sleekcraft* factors. *GoTo.com*, 202 F.3d at 1205; *Nova Wines*, 467 F. Supp. 2d at 979. These factors are: (1) the similarity of the marks; (2) the relatedness or proximity of the goods; (3) the marketing channel used; (4) the strength of the plaintiff's mark; (5) the defendants' intent on selecting the mark; (6) evidence of actual confusion; (7) the likelihood of expansion into other markets; and (8) the degree of care likely to be exercised by purchasers. *Id.*; *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348-49 (9th Cir. 1979).

The Ninth Circuit has also emphasized, however, that at the preliminary injunction stage, the court need not consider all the factors because the record will not likely be sufficient to permit thorough consideration. See Apple Computer, Inc. v. Formula Int. 'l, Inc., 725 F.2d 521, 526 (9th Cir. 1984) (affirming grant of preliminary injunction); Sony Computer Entertainment America Inc. v. Gamemasters, 87 F. Supp. 2d 976, 984 (N.D. Cal. 1999) (granting preliminary injunction) (Henderson, J.). "It is often possible to reach a conclusion with respect to likelihood of confusion after considering only a subset of the factors." Brookfield, 174 F.3d at 1054. Furthermore, where the marks and products are virtually identical or "substantially indistinguishable," courts in this district have found that a "simple comparison" between the products is sufficient to support a finding of likely confusion and the issuance of a preliminary injunction against a defendant retailer. Sony Computer, 87 F. Supp. 2d at 984. In Sony Computer, the court granted a preliminary injunction against defendant retailer after conducting "simple comparison" to find that confusion was "inevitable" from counterfeit electronics products sold by defendant. Id.,

Here, similarly, a simple comparison of Christy's catalog and "knock-off" valve product to Wilson & Cousins' trademarks and check valve trade dress reveals an obvious likelihood of consumer confusion. First, Christy features Wilson & Cousins' check valve product with the W&C Helmet Mark in its catalog. (Saunders Decl., ¶ 22.) Second, when a

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sale is made, Christy actually distributes an imitation check valve product that mimics key elements of Wilson & Cousins' check valve design. (Saunders Decl., ¶ 22.) Figures 2 and 3 below are photographs showing different views of a valve manufactured by Plaintiff Wilson & Cousins, compared to a valve sold by Defendant Christy. (Photographs authenticated in Saunders Decl., ¶ 17, 21.) The images demonstrate that the marks and dress used on the products sold by Defendant are virtually identical to Plaintiff's, are placed in identical locations, and are used on identical products. The combination of Christy's use of actual Wilson & Cousins product in its catalog, in conjunction with the actual distribution of imitation valves that slavishly copy key and wholly unique elements of Wilson & Cousins' check valve trade dress evince a strong likelihood of confusion.



Figure 2. Plaintiff Wilson & Cousins' valve is on the right, compared to the infringing valve sold by Defendant Christy on the left.

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Figure 3. View of the valves rotated 180 degrees of from Figure 1, showing Plaintiff Wilson & Cousins' valve is on the right, compared to the infringing valve sold by Defendant Christy on the left.

While a strong likelihood of confusion is apparent from this simple evaluation of the products and trade dress at issue, a complete analysis under the *Sleekcraft* factors is nonetheless presented for the Court's consideration.

i. Similarity of the Marks

"[T]he similarity of the parties' marks, is 'the most crucial factor in determining the likelihood of confusion." Nova Wines, 467 F. Supp. 2d at 979 (quoting Newsguy, Inc. v. Yomtobian, No. C 04-0811 CRB, 2004 WL 2944051, at *4 (N.D. Cal. Dec. 20, 2004) (Breyer, J.); see also GoTo.com, 202 F.3d at 1205 (noting that the similarity of the marks "has always been considered a critical question in the likelihood-of-confusion analysis"). The greater the similarity, the greater the likelihood of confusion. GoTo.com, 202 F.3d at 1206.

It is beyond dispute that the marks and dress at issue in this case are virtually identical. First, the Wilson & Cousins check valve shown in the Christy's catalog displays the W&C Helmet Mark. (See Saunders Decl. Ex. 10.) Moreover, as illustrated by the comparison in

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Figures 2 and 3 above, the knock-off check valve product actually distributed by Defendant uses the nearly all of the same symbols and characters as those found on Plaintiff's valve, and are placed on the exact same or similar locations of the product. As depicted in Figure 1, these symbols include the "UL" and "ULC" marks, placed side by side toward the top of the valve, followed underneath by the upper-case characters "LISTED," the Wilson & Cousins unique product control number "27GH," and the term "CHECK VALVE," in that order respectively. Towards the bottom of the valve is Factory Mutual approval mark, namely, a diamond symbol encasing the letters "FM," with uppercase letter "S" placed directly to its right. Rotating the valve 180 degrees, the valve displays a directional arrow, and the number "4" placed immediately to its right. Directly underneath those symbols are the characters "300 LB." The fact that Christy uses the W&C Helmet Mark in the catalog and that the two valves use identical marks on precisely the same locations of the valve weighs heavily in favor of finding a likelihood of confusion. ii. Relatedness or Proximity of the Goods This factor reflects the common-sense intuition that danger of consumer confusion is

heightened where goods are related. Nova Wines, 467 F. Supp. 2d at 980. "Related goods are generally more likely than unrelated goods to confuse the public as to the producers of the goods." Brookfield, 174 F. 3d at 1055. Accordingly, "[t]he use of similar marks to offer similar products ... weighs heavily in favor of likelihood of confusion." Id. at 1056.

Here, there is no doubt that the valves sold by Defendant Christy are in the same product market as Plaintiff Wilson & Cousins' valve. Both products are identical fire protection check valves. Furthermore, as demonstrated in the analysis above, the two valves use virtually identical marks. Thus, in this case likelihood of confusion "follow[s] as a matter of course." Brookfield, 174 F.3d at 1056.

iii. Marketing Channels

Under this factor, the court examines the marketing channels that each of the parties uses to sell and advertise its goods or services. See Nova Wines, 467 F. Supp. 2d at 980. "Convergent marketing channels increase the likelihood of confusion." Official Airline

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Guides, Inc. v. Goss, 6 F.3d 1385, 1393 (9th. Cir. 1993) (affirming trial court finding of likelihood of confusion). Additionally, where the products are sold to the same purchasers, and those products are also related and bear identical marks, such a case presents an "easy analysis in terms of likelihood of confusion." Au-tomotive Gold, Inc. v. Volkswagen of Am., Inc., 457 F.3d 1062, 1076 (9th Cir. 2006) (reversing district court's judgment in for defense).

Both of the parties in this case market and sell their products over the internet on their respective websites. Plaintiff Wilson & Cousins markets and sells its products via its website WilsonandCousins.com. (Saunders Decl., ¶ 7.) Likewise, Defendant Christy both markets the products it distributes and posts its catalogs on its website TChristys.com. (Saunders Decl., ¶ 22, Ex. 9.) In addition, both Plaintiff and Defendant sell their products to distributors and wholesalers. (Saunders Decl., ¶¶ 5, 22.) Thus, the parties use the same marketing channels and are likely to sell to the same purchasers. Moreover, as in Au-tomotive Gold, since the products at issue are also identical products bearing virtually identical marks, this case presents an "easy analysis in terms of likelihood of confusion." Id.

The analysis presented of these three Sleekcraft factors, the similarity of the marks, the relatedness of the products, and the similarity of the marketing channels, establishes that confusion is likely, if not certain, in this case. This Court need not go further in considering the remaining Sleekcraft factors. See GoTo.com, 202 F.3d at 1207 ("This trinity constitutes the most crucial body of the Sleekcraft analysis, and in this case, suggests that confusion is likely indeed. We discuss the remaining Sleekcraft factors only because the parties raised them,"); SMC Promotions, 355 F. Supp. 2d at 1136 (finding likelihood of confusion and declining to discuss remaining factors). However, for sake of completeness, Plaintiff addresses the remaining factors in turn for the Court.

iv. Strength of Wilson & Cousins' Trade Dress

This factor considers the strength of the plaintiff's marks, which is measured by classifying the marks and trade dress along a spectrum of distinctiveness. Brookfield, 174 F. 3d at 1058. As discussed in section I.B.1.b., supra, Plaintiffs trade dress is classified as

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arbitrary and thus is regarded as the strongest type of mark and inherently distinctive. Thus, this factor also weighs in favor of finding likelihood of confusion.

v. Defendant's Intent in Using Plaintiff's Marks

Courts assume that a defendant who intentionally attempts to confuse consumers will in fact succeed in doing so, and thus, evidence of such intent is probative of likelihood success. Nova Wines, 467 F. Supp. 2d at 982 (citing Playboy Enters., Inc. v. Netscape Commc'ns Corp., 354 F.3d 1020, 1028 (9th Cir. 2004)). However, the Ninth Circuit has emphasized that neither intent nor knowledge is required for trademark infringement, and is in fact usually of "minimal importance." GoTo.com, 202 F.3d at 1208.

In this case, preliminary examination of the facts indicates that Defendant likely intended to confuse consumers and increase its own profits by selling cheaper, knock-off valves, and by using Plaintiff's marks to do so. However, even if Defendant lacked intent or even knowledge, a likelihood of confusion still exists, as this factor becomes of "minimal importance" in such cases. GoTo.com, 202 F.3d at 1208.

vi. Evidence of Actual Confusion

Here, at this very early stage of the litigation, Plaintiff has not yet had the opportunity to develop evidence of actual confusion before petitioning this Court for preliminary injunctive relief. However, the absence of such evidence by no means indicates a lack of confusion. GoTo.com, 202 F.3d at 1208. In fact, this factor "bears little weight" as a result. Id. Therefore, this factor is neutral in determining a likelihood of confusion in this case.

vii. Likelihood of Expansion into Other Markets

This factor is "unimportant" or "irrelevant" when the products at issue are in direct competition. Brookfield, 174 F. 3d at 1059; Nova Wines, 467 F. Supp. 2d at 982. Since the products at issue here are the same fire protection valve, the products compete directly and this factor has no bearing on the likelihood of confusion determination.

viii. Customer's Degree of Care

In evaluating this factor, courts considers "the typical buyer exercising ordinary caution." Sleekcraft, 599 F.2d at 353. "Confusion is less likely where buyers exercise care

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and precision in their purchases, such as for expensive or sophisticated items." Au-tomotive Gold, 457 F.3d at 1076.

Here, the valve at issue, a check valve, allows fluid to flow through it in only one direction. (Saunders Decl, ¶ 16.) This not likely to be particularly sophisticated in either concept or operation to the distributors, contractors, builders, plumbers and other tradespeople who work with these types of products likely represent the typical purchaser of the valve. (See Saunders Decl, ¶ 10.) Moreover, the valve is currently sold for \$182.46 by Defendant Christy, and is thus not an especially expensive item. (Saunders Decl., Ex. 9, p. 14.) Therefore, ordinary purchasers are not likely to exercise a high degree of care and precision in purchasing the valve, leading to an even higher likelihood of consumer confusion.

ix. Weighing the Factors, Plaintiff Wilson & Cousins Has Established a Likelihood of Confusion

As articulated above, the majority of the Sleekcraft factors weigh heavily towards a finding of a likelihood of consumer confusion, and importantly, not a single factor weighs in favor of Defendant Christy. Confusion is a natural and predictable consequence of Defendant Christy's sale of knock-off valves and the use of Plaintiff's marks to accomplish those sales. Thus, Plaintiff is likely to succeed on the merits and is therefore entitled to preliminary injunctive relief.

b. Defendant Christy's Use of Plaintiff's Marks to "Pass Off" Counterfeit Valves Causes a Likelihood of Confusion

The Ninth Circuit has specifically held that selling of a good or service of one person's creation under the name or mark of another, or "passing off," constitutes a violation of Lanham Act section 43(a). See Lamothe v. Atlantic Recording Corp., 847 F.2d 1403, 1406 (9th Cir. 1988) (reversing summary judgment for defendants). Implied passing off, equally a section 43(a) violation, involves the use of a sample or photograph of the competitor's product, to impliedly represent that the product being sold is made by the competitor. H.O. Sports, Inc. v. Earth & Ocean Sports, Inc., No. C00-1846P, 2001 WL 514314 at *3 (W.D. Wash. Jan. 12, 2001); 4 McCarthy, supra §,25:7. For example, in H.O. Sports, the court

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granted a preliminary injunction against competitor defendant after examining defendant's catalog and finding a likelihood of confusion existed from defendant's use of plaintiff's products in its catalog to "pass off" products made by defendant. Id.

Similarly, here, an examination of Defendant Christy's catalog, published on its website TChristys.com, reveals Defendant Christy's use of Plaintiff's marks, including the W&C Helmet Mark, to "pass off" knock-off check valves in violation of section 43(a). (See Saunders Decl., ¶ 22; Ex. 9, 10.) These images demonstrate Defendant's use of Plaintiff's mark to sell valves to customers who are actually shipped "knock-off" valves by Defendant, resulting in obvious confusion. (Saunders Decl., ¶ 22.)

Based on the analyses and discussion above, Plaintiff Wilson & Cousins has demonstrated a likelihood of success on the merits, and irreparable injury is thus presumed. Therefore, Plaintiff Wilson & Cousins is entitled to a preliminary injunction.

C. In the Alternative, Plaintiff Wilson & Cousins Has Raised Serious QUESTIONS ON THE MERITS AND THE BALANCE OF HARDSHIPS TIPS SHARPLY IN ITS FAVOR

While Plaintiff's demonstration of likely success on the merits is sufficient to warrant preliminary injunctive relief, injunctive relief is also warranted under the second formulation of the Ninth Circuits' alternative test: serious questions going to the merits and the balance of hardships tipping sharply in favor of the plaintiff. GoTo.com, 202 F.3d at 1204-05. At a minimum, the analysis of the merits provided above demonstrates that Plaintiff has raised serious questions on the merits of this case. Thus, the only remaining inquiry under this formulation is the balance of the relative hardships.

Plaintiff Wilson and Cousins has spent more than 126 years, countless sums of money, and a great deal of effort developing its manufacturing business in the fire protection industry. (Saunders Decl., ¶¶ 4, 6, 15.) Plaintiff surely suffers "immeasurable and irreparable damage" to its business reputation and goodwill when distributors are able to sell identical valves with nearly identical marks outside the control of Plaintiff. Nova Wines, 467 F. Supp. 2d at 980 (finding balance sharply favored plaintiff because after 20 years in business, "plaintiff may

suffer immeasurable and irreparable damage if other wineries are able to sell wines with nearly identical packaging outside the control of plaintiff."). Such a loss of goodwill, and harm to marketing, business relationships, and relations with the public and potential customers presents incalculable and irreparable adverse effects. In addition, Wilson & Cousins may face claims of liability, as those who purchased such products under the belief that they were purchasing a Wilson & Cousins product may bring suit or otherwise seek to impose liability upon Wilson & Cousins for perceived product failure. (Saunders Decl., ¶ 23.) Such occurrences and claims will undoubtedly irreparably harm Wilson & Cousins reputation in the industry, even assuming it is able to thereafter establish that its product was not used.

Moreover, it is important to point out that Defendant's conduct grossly and recklessly endangers public safety and welfare by selling knock-off fire protection products that are intended to facilitate and aid fire protection in buildings of all sorts. If the knock-off products are of inferior quality, or should they fail to meet certain specifications, they may fail to prevent or mitigate fire damage and harm to persons or loss of life. (Saunders Decl., ¶ 23.)

In contrast, Defendant will suffer very little harm, if any at all, should its conduct be enjoined. The only profits Defendant would lose are those that it would continue to illegally reap from selling knock-off valves. Further, the products at issue here only represent a few among the hundreds of products that Defendant sells through its catalogs. Thus, it is not the case that Defendant's business would be shut down if it were prevented from continuing to sell and market knock-off Wilson & Cousins products.

On balance, Plaintiff Wilson & Cousins, as well as the public, will suffer exponentially more hardship if injunctive relief is not granted than Defendant would suffer if the relief is granted. Therefore, under the second formulation of the Ninth Circuit's preliminary injunction standard, Plaintiff is entitled to injunctive relief.

II. SCOPE OF THE INJUNCTION

Plaintiff Wilson & Cousins merely seeks an injunction to prevent Defendant's continued infringing conduct. The injunction Plaintiff seeks has two components: (1) enjoining Defendant Christy from selling or distributing any check valve or hose nozzle

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products not manufactured by Wilson & Cousins that feature the Wilson and Cousins UL or ULC Listing Mark, the unique Wilson & Cousins Listing Mark Control number (i.e., 27GH), or a confusingly similar combination of approval marks and designations and other indicators in the layout used by Wilson & Cousins; and (2) enjoining Defendant Christy from displaying or depicting Plaintiff's Wilson & Cousins' trademarks or trade dress in its catalogs, on its website, or in any advertising or promotional materials in order to sell or distribute products not manufactured by Wilson & Cousins. Submitted with this motion is a proposed order that is tailored to accomplish these goals.

This request is fully consistent with the well-established principles of preliminary injunctions. The very purpose of a preliminary injunction is to preserve the status quo which preceded the dispute. 5 McCarthy, supra § 30:50. In a trademark infringement case, the status quo properly preserved by a preliminary injunction is that existing before the infringing use. See GoTo.com, 202 F.3d at 1210. The injunction sought by Plaintiff only seeks a return to the time before Defendant began selling knock-off valves and using Wilson and Cousins marks in its catalogs and advertising materials to sell the knock-off valves.

CONCLUSION

Plaintiff Wilson & Cousins is has demonstrated that it has valid, protected trademark and trade dress, and that there is a likelihood consumer confusion from Defendant's use of Plaintiff's marks sale of knock-off products. Thus, Plaintiff has demonstrated a likelihood of success on the merits of it Lanham Act claims, and irreparable injury is presumed. In the alternative, Plaintiff has also raised serious questions going to the merits and has shown that the balance of harms sharply favors Plaintiff. Therefore, Plaintiff Wilson & Cousins is entitled to a temporary restraining order and a preliminary injunction under Ninth Circuit law.

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Respectfully submitted,

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MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF PLAINTIFF'S APPLICATION FOR TEMPORARY RESTRAINING ORDER AND ORDER TO SHOW CAUSE RE PRELIMINARY INJUNCTION